of profit earned by it during the last four years are given below:—

(Rs. in lakhs)

Year	Establishment Cost	Profit Earned
1991-92	283.20	32.12
1992-93	301.19	74.09
1993-94	323.59	131.11
1994-95	*369.29	*467.83

*(unaudited)

Indian Postel System

*579. SHRI GHUFRAN AZAM:

SHRI SURINDER KUMAR SINGLA:

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the news-item captioned "Indian Fiscal System needs overhauling" as reported in the Statesman dated the 22nd April, 1995;

(b) whether an international financial institute has described India's fiscal reforms and pace of liberalization as a temporary phenomenon; and

(c) if so, whether Government propose to take any action in this regard and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (c) As per the news item captioned "Indian Fiscal System needs overhauling' published in the Statesman dated 22nd April, 1995, the Institute of International Finance, Washington, "has noted a sense of complacency in fiscal reforms and pace of liberalisation in India in early 1994", and has hoped that it will just be a temporary phenomenon.

There has never been a sense of complacency and Government has continued with the process of liberalisation and reforms since their introduction in 1991-92. Fiscal deficit which was 8.3 per cent of GDP in 1990-91 was reduced to 6.7 per cent of GDP in 1994-95 (RE). Fiscal deficit would have been still lower but for sudden increase in the collection of small savings and consequent increase in the loaning to States. Piscal deficit is estimated to decline still further to 5.5 per cent in 1995-96.

Japanese Investment in India

*580. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that India has been targetted as priority investment area by Japan; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) The economic reform measures in India, and India,s recent economic performance and potential have generated a considerably interest of Japanese investors seeking investment opportunities in India. This interest is evident from several high level visits. A number of Japanese Missions have also visited India to study the investment climate in India. Some of these were:

(i) Mission from the leading Japanese Industry and trade organisations called Keidanren.

(ii) Sakura Bank investment mission.

(iii) Mission from Council Foreign Exchange Transactions.

(iv) Mission from the Society of Modernisation.

(v) Mission from Kansai Economic Federation called Kankeiren.

Apart from this, the Chief Executives of major corporations have also been visiting India from time to time.